

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF SOUTH 641 WATER)
DISTRICT TO REVISE NON-RECURRING) CASE NO. 2007-00194
CHARGES)

O R D E R

On June 18, 2007, the Commission entered an Order in this proceeding which, inter alia, authorized South 641 Water District to adjust its “Returned Check Charge” to \$30 for each instance in which a check presented for payment of a water bill is returned for insufficient funds.

Administrative Regulation 807 KAR 5:006, Section 8(3)(g),¹ permits a utility to assess a charge to recover costs associated with returned checks. KRS 514.040(4)(b), however, limits a merchant’s assessment of a “bad check fee” to a reasonable amount that does not exceed \$25.

Based upon our review of this statute and finding no evidence of extraordinary cost to support a fee in excess of \$25, the Commission finds that South 641 Water District should be authorized a “Returned Check Charge” of \$25 and that our Order of June 18, 2007 should be amended to reflect this finding.

¹ Returned check charge. A returned check charge may be assessed if a check accepted for payment of a utility bill is not honored by the customer's financial institution.

IT IS THEREFORE ORDERED that:

1. The Commission's Order of June 18, 2007 is amended to reflect the findings set forth in this Order.
2. Appendix A of the Commission's Order of June 18, 2007 is stricken and Appendix A of this Order is substituted.
3. The charges set forth in Appendix A of this Order are approved for services rendered on and after the date of this Order.
4. Within 20 days of the date of this Order, South 641 Water District shall file with the Commission revised tariff sheets that set forth the charges listed in Appendix A of this Order.

Done at Frankfort, Kentucky, this 28th day of June, 2007.

By the Commission

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2007-00194 DATED JUNE 28, 2007

The following rates, charges, and policies are prescribed for the customers in the area served by South 641 Water District. All other rates, charges, and policies not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Non-Recurring Charges

Meter Connection/Tap-on Fee

| | |
|--------------------|-------------|
| 5/8" X 3/4" Meter | \$750.00 |
| 1" Meter or Larger | Actual Cost |

Rock Clause – An additional charge shall be made for meter connections where rock is encountered. The charge shall be applied per linear foot and shall not exceed the actual cost of excavation.

| | |
|-----------------------------|-------------|
| Sewer Connection/Tap-on Fee | Actual Cost |
| Customer Water Deposit | \$55.00 |
| Customer Sewer Deposit | \$20.00 |
| Returned Check Charge | \$25.00 |